

## REMARKS

This is intended as a full and complete response to the Office Action dated January 16, 2007, having a shortened statutory period for response set to expire on April 16, 2007. Claims 30 - 33 have been cancelled by Applicant. Claims 1-29 were examined. The Examiner rejected claims 1-6 under 35 USC § 103(a) as being unpatentable over Ryan (US Patent 6,374,036) in view of Fukushima (US Patent 6,388,638). The Examiner rejected claims 7-14 and 20-33 under 35 USC § 102(b) as being anticipated by Ryan. The Examiner rejected claims 15-19 under 35 USC § 103(a) as being unpatentable over Ryan and in view of Rhodes (US Patent 5,432,900).

### Rejections under 35 U.S.C. §102(b)

Claim 7 recites the limitations of protecting digital content by detecting tags in a data stream and associating the detected tags with commands for altering image content. Ryan neither teaches nor suggests these limitations.

Ryan discloses a device for protecting digital content that allows one-time recording and prohibits subsequent recordings by performing the following steps. First, in column 5, lines 64-67, Ryan detects a tag in a data stream (a “field marker” with a certain “attribute” value). Next, in column 6, lines 1-7, Ryan compares the attribute value of the field marker with the value decoded from a watermark contained in the data stream. If, in column 6, lines 7-12, the device determines that the values are substantially equal, the recording is allowed to continue; otherwise, the recording is disabled. If the recording is allowed to continue, the device alters the field markers, so that when a subsequent recording is attempted, the attribute value of the field marker will be different from the value decoded from the watermark and the recording will be disabled. Importantly, Ryan clearly teaches in column 3, lines 59-63 and column 7, lines 40-43 that “the field marker is typically inserted in the invisible portion of the active video, i.e. with regard to television sets in the overscan region.” Thus, Ryan teaches altering the portion of digital content that is not visible to the viewers. Therefore, Ryan’s approach does not alter image data, which, as is well-known, is the portion of digital content visible to end-users.

By contrast, as recited in claim 7, the claimed detected tags are associated with commands for altering image content. Again, as is well-known, image content is the

portion of digital content that is visible to the viewers. Altering image content includes, for example, “adding an object, such as a text message or a character” to a scene or removing a part of the scene (see paragraph [0032] of the specification). The claimed approach is therefore fundamentally distinct from Ryan.

As the foregoing shows, Ryan fails to teach or suggest each and every limitation of claim 7 and therefore cannot anticipate this claim. For this reason, Applicant respectfully submits that claim 7 is in condition for allowance and requests that the 102(b) rejection be withdrawn. Claims 8-14 and 20-29 depend from allowable claim 7 and therefore are also in condition for allowance.

#### **Rejections under 35 U.S.C. §103(a)**

Claim 1 recites the limitation of altering a portion of a frame of the digital content, where the alterations of the digital content are not visually perceptible for real-time display but, instead, are visually perceptible in a recorded version of the content. None of the cited references teaches or suggests this limitation.

As set forth in Figures 10A-B and 11A-B as well as in paragraphs [0055] and [0056] of the present application, digital content may be viewed both in real-time and as recorded. In real-time, the digital content appears to viewers to be un-altered (as shown in Figure 10A, for example) such that the viewing experience is not impacted. However, when viewing a recorded version of the content, the digital content appears with alterations that ruin the viewing experience. For example, the digital content may include additional images (as shown in Figure 10B and described in paragraph [0055] of the specification), may have a changed image resolution (see paragraph [0050] of the specification), or may have a changed refresh rate (see paragraph [0045] of the specification). Importantly, while unauthorized recording is allowed to continue, the alterations of the digital content are visually perceptible in the unauthorized recorded copy. Thus, the present applications allows the digital content to be displayed to viewers in real-time without impacting the viewing experience, while significantly degrading the viewing experience when viewing an unauthorized copy of the digital content (see paragraph [0047] of the specification). Claim 1 clearly recites the way the tags alter the perception of the recorded version of the content, but not the real-time version of the content.

By contrast, when Ryan determines that the recording of the digital content is unauthorized, the "recording is disabled" (column 6, lines 9-12). Thus, alterations of the digital content that are visually perceptible in a recorded version of the content are not taught or suggested by the approach disclosed in Ryan. Rather, in Ryan the recorded version simply will not exist after the unauthorized recording is disabled.

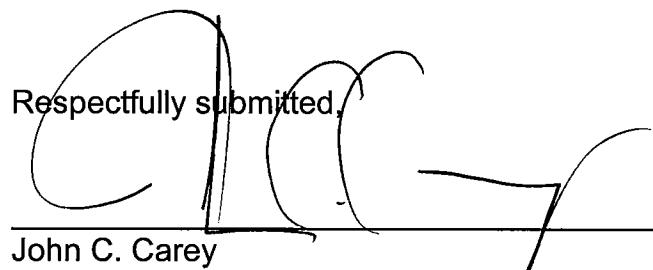
Fukushima does not teach or suggest this limitation. Therefore, no combination of the cited references can render claim 1 obvious. For these reasons, Applicant respectfully submits that claim 1 is patentable over the cited references and requests allowance of the claim. Claims 2-6 are dependent from allowable claim 1 and, therefore, are also in condition for allowance.

Furthermore, claims 15-19 are dependent from allowable claim 7. As set forth above, Ryan does not teach or suggest each and every limitation of claim 7. Further, reference Rhodes fails to cure the deficiencies of Ryan. For this reason, no combination of the cited references can render claims 15-19 obvious.

### CONCLUSION

Based on the above remarks, Applicants believe that they have overcome all of the objections and rejections set forth in the Office Action dated January 16, 2007, having a shortened statutory period for response set to expire on April 16, 2007, and that the pending claims are in condition for allowance. If the Examiner has any questions, please contact the Applicant's undersigned representative at the number provided below.

Respectfully submitted,



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